

FINANCIAL MANAGEMENT REVIEW

TOWN OF MONSON

MAY 2021



DLS

DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

PREPARED BY:

DLS | Financial Management Resource Bureau

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May 9, 2022

Select Board
Town Hall
110 Main Street
Monson, MA 01057

Dear Board Members,

I am pleased to present the enclosed financial management review report for the Town of Monson. It is my hope that our guidance provides direction and serves as a resource for local officials as we work together to build better government for our citizens.

If you have any questions regarding this report, please contact Zack Blake, Financial Management Resources Bureau Chief, at 617-626-2358 or blakez@dor.state.ma.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean Cronin".

Sean R. Cronin
Senior Deputy Commissioner

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INTRODUCTION

At the select board's request, the Division of Local Services (DLS) completed a financial management review (FMR) for the Town of Monson. A team from the Financial Management Resource Bureau conducted the review in collaboration with staff from the Bureaus of Accounts, Local Assessment, and Municipal Finance Law. The review's timing has coincided with multiple, rapid transitions among the town's central administrative and financial offices within a short period of time. Since less than a year ago, Monson appointed a new town administrator, and all but one of its finance department employees are either new to the town or have moved into new roles. Because of this situation, the scope of the review did not encompass any assessments of the town's day-to-day financial procedures, as would normally be part of an FMR. Instead, the main focus was on the structure of Monson's finance department and overall government, with some consideration also given to its annual budget process.

This transitional period presents a fitting time for local officials to take a fresh look at how the town's structure and budget procedures might be modified to enhance effectiveness into the future. While on the one hand, Monson is a community that maintains an outdated governance framework, it has also made some progressive advances in service provision. Monson is part of a vanguard among midsized towns in the state for having a consolidated finance department and standalone human resources (HR) department. The town is also superior among typical peers in the degree to which it leverages technology to increase efficiencies in daily financial functions, such as decentralized data entry of invoices. Nevertheless, the presence of multiple elected department heads and committees is not an arrangement conducive to continued dynamic progress. Furthermore, the town administrator role is weakly defined, and the community's bylaws provide inadequate guidance for local officials. In the report that follows, we provide advice on ways for the town to improve in these and other areas.

BACKGROUND

Situated in Hampden County on the Connecticut border, Monson (pop. 8,150) is a Greater Springfield community that also lies less than 40 miles from Worcester and Hartford. Its proximity to these cities notwithstanding, the town retains a semirural atmosphere, and only 10 percent of its total property valuation is attributable to combined commercial, industrial, and personal properties. Residential property owners therefore shoulder the bulk of the annual tax levy, even while the community has relatively modest socioeconomic indicators. Whereas its 2019 per capita income of \$33,948 is on par with the combined average for the 44 communities in Hampden and Hampshire Counties (\$33,627), its property wealth in terms of equalized valuation (EQV) per capita, \$104,782, was 13th lowest of that same group, which has an average combined per capita EQV of \$131,044.

Within this context, the property tax levy represents 50 percent of the town's total \$32 million operating revenues for FY2022. State aid provides the next largest funding source at 32 percent, followed by local receipts at six percent, other available funds three percent, and community preservation funds two percent. The town's operating budget also includes three user-supported enterprise funds, for water, sewer, and trash collection, which together comprise seven percent of the total. The total budget pays for a wide array of services, including police, fire, highway, parks, library, cemetery, council on aging, and others. But by far the most expensive program the town supports is its local preK-12 school district, which comprised 48 percent of Monson's expenditure budget in FY2021.

Article 23 of the town's general bylaws assigns the director of the department of finance and budget (referred to as the finance director) with primary responsibility for preparing Monson's annual budget proposal, as well as providing budget-related policy advice. The finance director is appointed by, and works under the direction of, the three-member, elected select board, which also appoints a town administrator to act as its executive officer. To advise the legislative branch of town government, town meeting, there is a 13-member, moderator-appointed finance committee, which issues recommendations on proposed budgets.

For the seven-year period ending last spring, Monson experienced a time of sustained continuity in its budgetary leadership, with the roles of the town administrator, finance director, and finance committee chair being fulfilled by the same incumbents throughout that span. Thus, although the town had not yet adopted any formal financial policies, these officeholders were able to rely on historical practices and good working relationships to achieve consensus budgets that have been structurally sound and put Monson in an overall good financial standing. As a percentage of the annual general fund budget, the combined reserves of free cash and stabilization funds have averaged 11 percent over the last five years. This is at the low end of the 10 to 15 percent range recommended for similar towns, but it provides a healthy "rainy day" cushion and some budget flexibility to pay one-time capital needs with cash versus debt. It also appears the town has wisely managed its debt load, with annual debt service averaging a consistent five percent of the general fund budget from year to year. Monson's solid financial footing was a factor cited by Standard & Poor's when it awarded the town a bond rating of AA/stable in 2021.

To help ensure that sound and consistent budget and other financial practices are carried forward into the future even as officeholders change, Monson's last town administrator requested that DLS draw up financial policies for local review and potential adoption. In December 2020, we provided the town with a draft manual containing 22 financial policies. However, within a few months of its receipt, the town administrator, finance director, and finance committee chair had all moved on from

their positions in Monson. As the town worked to appoint and integrate new incumbents in these roles, there has been a delay in the review, adoption, and implementation of the policies. In the course of conducting this FMR, including closer examination of the town's budget process, we determined that slight modifications to a few policies were warranted, and last month, presented the town with an updated draft manual for potential adoption, including a new policy to address credit card purchasing.

In May 2021, the select board appointed South Hadley's assistant town administrator to be Monson's new town administrator. Within the first few months of her arrival, she has efficiently and creatively contended with several employee changeovers in the finance department (more on this later). As a new arrival to the community, the town administrator found the town's general bylaws provided scant details on the authorities and interrelationships of various positions and committees within town, and the select board subsequently appointed a bylaw committee to review them. She also promoted to the select board the value that an FMR could provide the town, having experienced the process in South Hadley, which led to this review.

In the next section of the report, we provide guidance related to the town's overall structure and management. In the final section, we describe the finance department and offer recommendations designed to ensure that good internal controls are implemented and maintained even as the department becomes more streamlined and efficient. Unlike a great many Massachusetts municipalities that are highly concerned about who will be available to replace their older financial managers as they retire over the next decade, Monson is very fortunate to have a smart, energetic, and team-oriented group of youthful professionals working within its finance and HR departments. As officials seek a future in which Monson can maximize the efficiency, coordination, and accountability of its financial practices and overall management operations, we hope that they consider the advice provided here as a guide for generally increasing modernization in the town.

OVERALL STRUCTURE AND MANAGEMENT RECOMMENDATIONS

For purposes of comparison, we assembled a group of towns that could be considered Monson's peers based on similar fiscal, geographic, and socioeconomic characteristics, including population size, budget amount, per capita income and EQV, and the balance of properties classes within the total valuation. The resulting 10 peer communities are listed in the table below, and this group will be referenced in some recommendations.

Monson's Peer Communities

Municipality	County	2020 Pop.	Pop. Density	2019 Income Per Capita	2020 EQV Per Capita	R/O % Value	CIP % Value	FY2022 Oper. Budget	FY22 Avg Single-family Tax Bill	Bond Rating	
Douglas	WORCESTER	8,983	247	40,081	128,527	93.87	6.13	36,817,248	5,840	Moody's	Aa3
Lancaster	WORCESTER	8,441	307	38,357	128,899	85.66	14.34	27,056,783	7,570	Moody's	Aa3
Monson	HAMPDEN	8,150	185	33,948	104,782	89.90	10.10	31,868,844	4,553	S&P	AA
Orange	FRANKLIN	7,569	216	21,469	82,036	80.03	19.97	25,022,702	3,875	S&P	A3
Rutland	WORCESTER	9,049	258	39,756	114,845	94.34	5.66	26,946,165	5,519	Moody's	A2
Southwick	HAMPDEN	9,232	300	42,191	130,461	87.11	12.89	30,160,572	5,127	Moody's	Aa2
Templeton	WORCESTER	8,149	256	28,751	89,806	91.46	8.54	22,460,697	4,051	Moody's	Aa3
Townsend	MIDDLESEX	9,127	278	36,998	112,648	92.24	7.76	27,187,813	5,798	Moody's	Aa3
Ware	HAMPSHIRE	10,066	293	24,067	80,671	84.80	15.20	37,061,431	4,182	Moody's	A1
Westminster	WORCESTER	8,213	232	40,151	136,063	87.60	12.40	32,952,545	5,399	S&P	AA+
Winchendon	WORCESTER	10,364	241	26,540	79,621	90.64	9.36	36,037,844	3,663	S&P	A+
<i>Averages</i>		<i>8,849</i>	<i>256</i>	<i>33,846</i>	<i>108,033</i>	<i>88.88</i>	<i>11.12</i>	<i>30,324,786</i>	<i>5,052</i>		

1. Advice for Completing a Review of the Town Bylaws

As noted earlier, the select board recently appointed a committee to conduct a substantive review of the town's bylaws after recognizing that the current bylaws are not cohesive and lack sufficient information on the duties of town offices, appointing powers, and procedures. The goals of a bylaw committee should be to (1) remove inconsistencies and clarify vagaries, (2) modify bylaws as necessary to reflect the town's actual governing framework and procedures, and (3) propose new bylaws that are informative and directive of the town's existing or desired practices, allowances, and prohibitions. Questions of a more transformative nature, however, are better left to a government study committee, as we discuss in the next recommendation.

As advice to help the bylaw committee in its work, we offer the following:

- Examine bylaws of other, similar towns to discover the types of provisions that may be missing from Monson's bylaws and view examples for organizing the document.

- Review all existing bylaw articles and make decisions on which ones to retain, revise, or discard. Look for and resolve any inconsistencies among the bylaws, and remove references to any nonextant committees, boards, and positions.
- Seek input from residents, employees, and officials through public forums.
- Organize the bylaws under topic areas with headings in a logical flow. As with the current code, list all bylaw articles and their subsections in a table of contents.
- Provide an index that contains a chronological list of all of Monson's special acts and adopted statutes.

Changes to the general bylaws require the approval of town meeting and validation by the Attorney General's office to become effective. Once the new set of general bylaws are finalized, Monson should post them on the town website and might also consider contracting with one of the vendors that specializes in creating a digital version with hyperlinks to each topic and section.

2. Appoint a Government Study Committee

We recommend the select board appoint a government study committee to research and consider potential changes in the town's government structure and ultimately provide the board with a report of recommendations. The committee should be large enough to reflect a wide range of perspectives and may include some town employees and officials as well. It is important that all appointees approach their charge without any biases or presumed outcomes. In conducting its work, the committee should meet with department heads and other local officials, and also solicit input from the public through surveys and forums. Additionally, there should be a set timeline for reporting progress updates and presenting a final report to the select board.

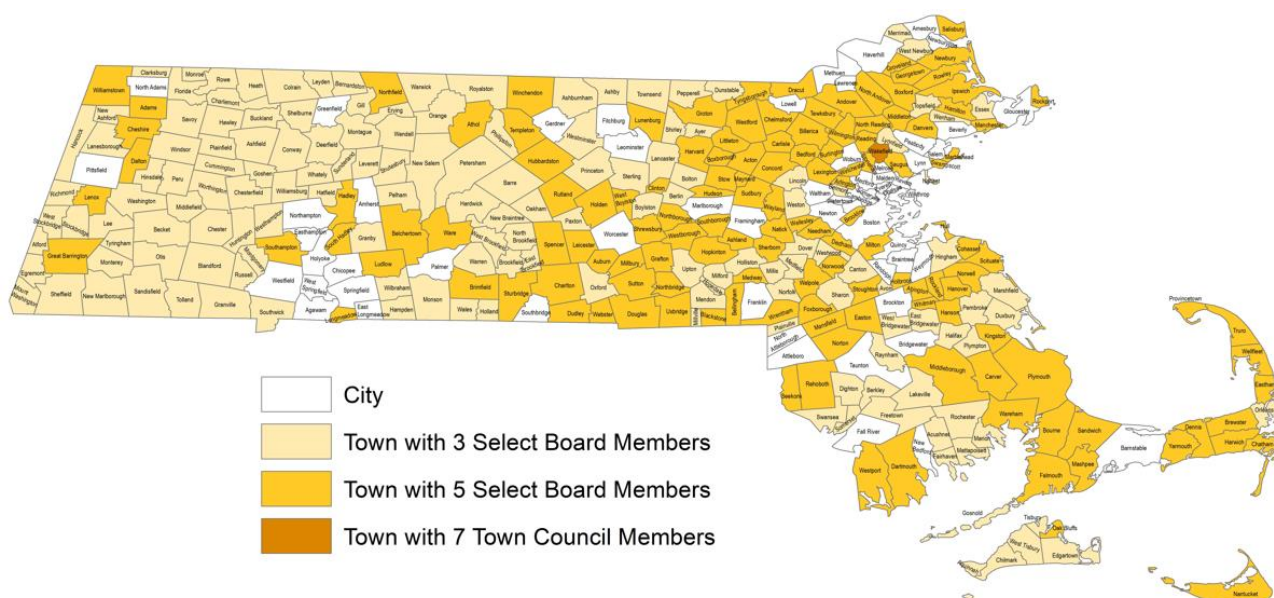
In response to specific recommendations in the committee's report, the select board may then sponsor town meeting articles proposing bylaws to enact particular changes and might choose to subsequently charge the committee with drafting a town charter proposal. A charter provides a way for a community to define its governing framework and protocols based on a focused, deliberative process that addresses town government holistically, as opposed to a piecemeal approach to government change through successive and often unconnected bylaws. To establish a charter through the most common means, the government study committee would draft and then submit a special act for the approvals of town meeting, town voters, and the state legislature.

In Recommendations 3 through 6, we provide research and guidance related to topics that would make sense for the government study committee to consider, given of the conditions existing in Monson today.

3. Assess Whether the Select Board is the Right Size for the Town

The community of Monson has reached the size and complexity at which many towns begin to consider whether a larger select board could be more effective than the historical three-member board. Among the 292 towns in Massachusetts, there is roughly a 50/50 split between the two sizes. As one would expect, the prevalence of five-member boards increases on a scale relative to population size. Of the 133 towns in the state with populations under 7,000, only 22 (17 percent) have five-member select boards. In contrast, among the 36 towns in the state with populations between 7,000 and 10,000 (which includes Monson), 19 have five-member select boards, 53 percent.

Select Board Memberships Statewide



As communities grow larger and more diverse, a board that expands the representation of residents can enhance balance and bring new perspectives to issues. Opponents of a five-member board will note that many towns are too often starved for candidates to run for offices. With an expanded board, seats may go unfilled or else be filled by residents primarily motivated by personal agendas. Larger boards can typically mean longer and more taxing meetings too. And of course, there is always the “if it ain’t broke, don’t fix it” position. However valid these sentiments, they also overlook some indisputable positives, including that a larger board reduces the risks of dominating biases holding sway and of open meeting law violations as well. With a five-member board, two selectmen may legally speak with one another on topics relative to town issues, though not deliberate about them.

As mounting service demands expand the town administrator’s scope of working objectives, a larger board not only improves the oversight of the incumbent but also allows for the allocation of responsibilities among more members. In addition to the select board’s supervisory and statutory

duties, its members participate on ad hoc committees, research all town meeting issues, review capital and operating budgets, and make policy decisions. With two additional actors involved, the thoroughness of this work can be enhanced. The prospects for greater collaboration are also liable to improve since it is more difficult to win a majority of three than just two. With no more than two members elected each year, the board's stability and continuity will be increased as well. Lastly, should a board member fall ill or otherwise become unable to perform his or her duties, the larger board can continue to achieve quorums and operate effectively.

State law precludes making such a change solely through a town meeting vote. Therefore, short of a town charter, to expand the board membership, the proposal would need to gain approval by town meeting, a special act of the Massachusetts legislature, and voter approval by referendum.

4. Codify the Town Administrator Role and Assess Whether to Elevate It to Town Manager

The town administrator role in Monson is defined only through a job description and employment contract based on the authority and functions the select board chose to delegate when creating those documents. For clarity of purpose, we recommend a town charter provision or bylaw be drafted to codify all of the position's powers, duties, and appointing authority. In considering the office's role and specific responsibilities, the government study committee might also assess whether or not to recommend elevating the title to town manager.

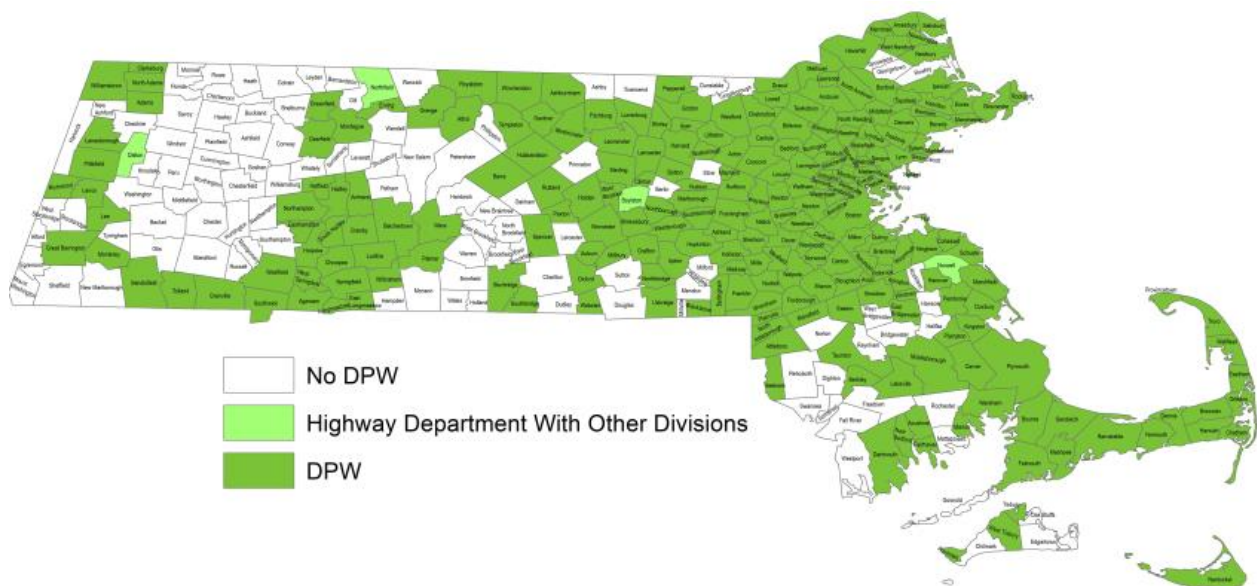
Although Massachusetts General Laws contain no defining distinctions between a town administrator and town manager, a manager is generally considered to have more authority to direct day-to-day operations independent of the select board. Among duties typically assigned to the more authoritative manager role are appointing and supervising all department heads, negotiating contracts, and approving payroll and vendor warrants. The choice between the two titles is often political in nature since there can be perceptions of power associated with a town manager that may meet some resistance, thereby making the town administrator title more widely palatable. This factor may help explain why there are numerous examples of town administrators in the state that have been granted the authority commonly understood to be associated with town managers but without any change in title.

One compelling reason towns may consider establishing the manager role is that it tends to attract more seasoned and qualified job applicants when vacancies arise, since the title is recognized as being more akin to a true chief executive officer. Among the 36 towns with populations between 7,000 and 10,000, there are seven that have town managers (19 percent). Only two of Monson's 10 peer towns, Ware and Winchendon, have town managers, representing 20 percent of the group.

5. Consider a Consolidated Department of Public Works

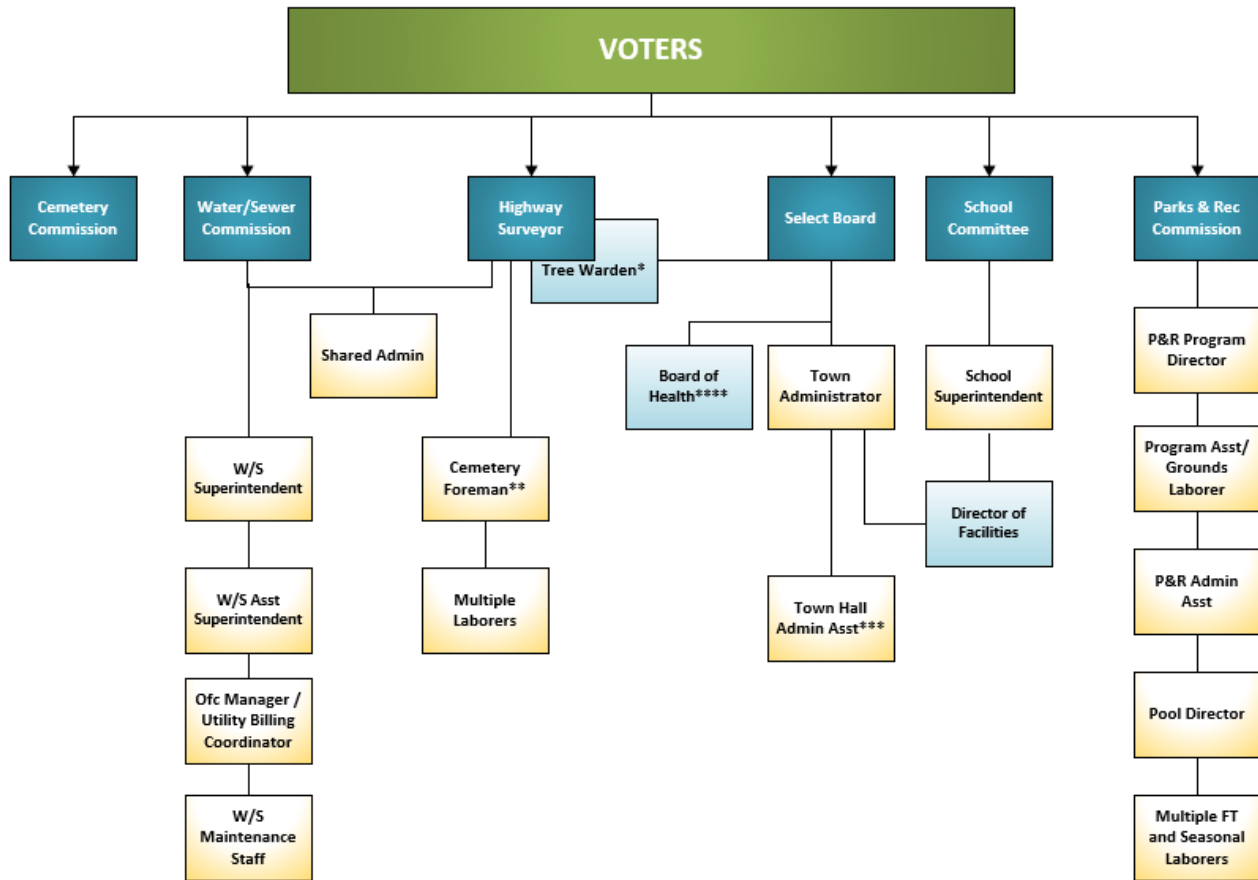
We recommend the town consider consolidating its various public works functions into a single department. The majority of communities statewide have abandoned the flat, less organized, and more costly model of having several independent departments managing their fixed assets. To date, a department of public works (DPW) exists in 70 percent of cities and towns in Massachusetts, though sometimes under a different name. We count among this total a small handful of communities that have highway departments whose responsibilities encompass other public works functions besides roadwork, such as facilities, parks, water utilities, etc. Among Monson's 10 peer communities, eight have DPWs (80 percent).

DPWs Statewide



A prime reason for the prevalence of DPWs is the clear governance trend in favor of vertically aligned structures, in which department heads report to a chief administrative officer rather than a range of separately elected or appointed boards. Just as important, by consolidating personnel, equipment and resources, a community with a DPW can expect the related services to be better coordinated, efficient, and cost-effective. In contrast to this desirable model, the chart on the next page illustrates the flat, siloed arrangement in Monson; nine separate departments reporting under six sets of elected officials have oversight for functions that otherwise have the shared mission to maximize the continued usefulness, safety, and value of the town's major assets.

Monson's Public-Works-Related Departments



Notes:

**The elected Highway Surveyor is currently also the appointed Tree Warden.*

***The Cemetery Commission appoints the Cemetery Foreman, but he currently reports to the Highway Surveyor.*

****The Town Hall Administrative Assistant does secretarial duties for the Cemetery Department.*

*****Trash and recycling pick-up services are done by a contractor under the Board of Health.*

Under M.G.L. c. 41, § 69C-F, the town can combine any or all of its public-works-related functions into a single department overseen by a DPW director. The merger of staff and equipment will provide greater service coverage and operational flexibility in addition to cost-savings from the reduction of duplicative resources and efforts. The maintenance for all town buildings and public grounds could be assigned to this department, for example. In addition, every road project could be synchronized to include all potential improvements across water and highway divisions to avoid ripping up freshly paved roadways and needlessly wasting taxpayer dollars. Furthermore, in an increasingly competitive municipal job market, the elevated status and responsibilities of a DPW director become more attractive to qualified candidates whenever a vacancy occurs.

Given all the elected bodies currently in charge of these various functions, the creation of a DPW would require a charter or special act. In either case, we recommend flexible language that would allow for the potential future merger of any related functions into the DPW, such as “Operations may

include, but need not be limited to, the following: refuse collection and disposal, sewer, water supply and distribution, forestry services and maintenance of town infrastructure, including town buildings, roads, parks and cemeteries” (c. 84 of the Acts of 2008 for Medway) and “Other offices, the functions of which are related to a DPW, may be assigned to the department in accordance with the bylaws.”

If for whatever reason Monson decides against a partially or fully consolidated DPW, we recommend the town convert any unmerged, elected oversight board to an appointed status or make the oversight a function of the select board. This is an appropriate step in the direction of better service coordination and accountability.

6. Convert the Town Clerk and Highway Surveyor to Appointed Positions

As we will discuss later on, the town’s elected collector intends to retire in the fall of this year, and there is a plan to combine that title into a single position with the appointed treasurer. When that happens, the town will have just two remaining elected employees: the town clerk and highway surveyor. These types of elected positions are becoming ever rarer in Massachusetts communities for a variety of good reasons. Superior oversight and accountability are achieved when all of a community’s department heads are appointed positions answerable to a common executive. Further, the notion that there is any real value to having these positions be independent of the select board is specious, since their procedures ought to adhere to well-established professional standards, and in the case of the town clerk especially, much of their duties are governed by state statutes.

Generally speaking, more and more communities have done away with elected town employees due to the wider recognition of the lack of any policy significance associated with these roles and the desire to open the positions to the most qualified job applicants whenever vacancies occur, regardless of their places of residence. In light of all this, we recommend the town convert these two positions to appointed posts through majority votes at annual town meeting and at an annual election held within the following 60 days.

7. Reduce the Size of the Finance Committee

We recommend Monson revise Article 2 of the general bylaws to decrease the size of the finance committee from 13 members to a more manageable and efficient nine. Statewide, the average finance committee has seven members, and only 33 of the 292 towns in Massachusetts have committee memberships larger than nine (11 percent). Among the towns with more than nine members, the average population is 23,061 (roughly three times greater than Monson) and the average operating budget is \$50M (about 66 percent larger than Monson). Nine members is adequate to provide for a diverse range of interests, perspectives, and skills among the appointees. On the

other hand, committees of 10 or more present challenges to achieving consistent quorums, make for longer meetings that stretch the volunteers' commitment, and can prolong decision-making, all without any obvious added value.

We have been told that FY2022 marked the first time in decades that the moderator could recruit a full committee of 13, and that in most years past, the typical contingent was eight members. We also note that the special town meeting warrant for November 6, 2017 contained an article to decrease the membership size to nine, but it was passed over without a vote. We advise the town to consider presenting this article again, but this time at annual town meeting,

8. Adopt a Bylaw on Ad Hoc Committees

Recently there have been some local debate and discussions about protocols related to ad hoc committees: how they are appointed; reporting requirements; how and when they should be disbanded, etc. We were told the town currently has 24 selectmen-appointed committees and that some are not active but have not been disbanded. Although the town created a committee handbook a few years ago that is being looked at for revision, we suggest that the select board might also consider sponsoring a bylaw on the topic. Two of Monson's peer communities, Lancaster and Southwick, have such bylaws, and we included them in the appendix to serve as samples.

9. Formally Adopt Policies on the Annual Budget Process and Capital Planning

In this current season of budget development for the forthcoming fiscal year, a majority of the key players charged to assemble or make decisions about the annual operating and capital budget proposals are either new to the town or the process (town administrator, one new select board member, multiple new finance committee members) or are involved with it in a newly enhanced way (newly promoted finance director, new finance committee chair). The lack of prior working relationships among the group is one factor that has made this budget season more fraught and drawn out than usual. But another is the lack of any formal, disseminated guidance about what the process in Monson should look like:

- What are the goals for the annual budget process and how should they be formulated?
- What are the expectations placed on the budget framers, decision makers, and department heads?
- In what format(s) will the budget submissions and evolving omnibus budget be presented?
- What are the key milestones in the process?
- What are the criteria required for the final budget document?

These are just some of the questions we advise should be answered in a formally adopted policy on the annual budget process. Having a written policy that is reviewed and then mutually adopted by the select board and finance committee is an effective way to promote many goals, including serving as an educational tool for new participants, establishing agreed-upon protocols to smooth the process, ensuring adequate time is allotted for each step along the way and in advance of town meeting, fostering a budget consensus, and assuring basic continuity from year to year.

We recommend that budget process provisions be set out in a policy rather than a bylaw because we suggest that the town should plan to review and readopt the policy each year after an annual joint meeting of the select board and finance committee to kick off the budget season. Part of the agenda of this meeting would be to review lessons learned from the prior year and make any appropriate adjustments to the policy for the new year. At minimum each year for instance, new, specific dates would be determined for the calendar of budget milestones. A revised policy might incorporate changes to the particular software being used in budget development, as another example. A policy provides much better flexibility versus a bylaw to make such changes. We have provided a sample budget process bylaw in the appendix.

In addition, we encourage the town to review and formally adopt a version of the revised capital planning policy we recently provided, for all the same reasons laid out here regarding the annual budget policy.¹

10. Review and Update all Job Descriptions Town-wide

We recommend the HR director conduct a town-wide review of employee job descriptions. Ultimately, all employees should have complete and accurate job descriptions that include major and minor duties and responsibilities; supervision received and given; education, qualifications, experience, and special skills required; and the conditions under which work is performed. Furthermore, a complete set of up-to-date job descriptions is a prerequisite for an effective review of classification and compensation plans, which we recommend next.

We advise conducting the project as a bottom-up exercise, in which department heads and staff create or update their own job descriptions by comprehensively listing all their duties in a template created for this purpose by the HR director. Each employee would then review the information with their supervisor, who would review the draft with the HR director and town administrator. Note that

¹ In reviewing this policy before adopting it, the town should consider whether or not it should include the current provisions regarding a capital planning committee (CPC). The town has not adopted a bylaw to establish a CPC, as required by [M.G.L. c. 46, § 106B](#). Furthermore, a CPC might be an additional, unnecessary layer of bureaucracy in a town that already has a town administrator and finance director with broad budget development duties.

any substantive changes in duties or working conditions would need to be incorporated into collective bargaining negotiations with the town's various unions.

A job description project can identify overlapping duties and gaps in assigned responsibilities, as well as incompatible duties. Incompatible duties are functions that should be segregated between at least two employees to mitigate the risk that a sole employee could conceal errors or commit fraud. We will discuss this more in the next section of the report regarding the finance department, but it can apply in other departments as well. For instance, a person assigned to receive a purchased item should be different from the person who ordered it. Otherwise, an employee with both duties could order items that are not necessary and keep them for personal use without this being detected. Sometimes a department does not have enough staff to segregate all incompatible duties, but the process of identifying them helps management assess the areas of risk and consider employing compensating controls, such as regular audits of the given function at a higher level or by the finance director's office.

11. Complete a Compensation Survey and Update Classification Tables

It has been eight years since Monson completed a comprehensive review and adjustment of its job classification tables. To ensure the town competes well with others in the region in attracting and retaining a reliable, qualified workforce it is good practice to do this project every five years or so. Through a survey of municipalities in the surrounding area, wage and salary data is compiled to verify if the town's compensation levels are well structured and consistent with others in the region.

This project could be conducted by the town's HR department. However, to assure impartiality and harness experienced expertise, the town might consider hiring a consultant to perform the information gathering, complete the analysis, and provide recommendations to the town. The consultant would need to work in close concert with Monson's HR director in analyzing the duties in the new job descriptions to then determine how they should be arranged by type and function. Once the survey is completed, the town can assign minimum and maximum pay rates to the job classes of all employees covered by the personnel bylaw, and it would also then have current, accurate data for contract negotiations with collecting bargaining units.

12. Solicit Bids for Audit Services

Given that Monson has contracted with the same independent audit firm for more than 10 years, we recommend the town conduct a bidding process for FY2023 audit services. Although there is value in retaining an independent audit firm for a series of years because it minimizes workplace disruptions and avoids new engagement start-up costs, it is also good policy to seek a change in auditor every

now and again. When an audit relationship extends beyond six years or so, there is an increasing risk of complacency that can cause audit programs to become routine.

By seeking contract bids at six-year intervals, the town can help assure periodic, fresh assessments of its accounting practices and financial statements. This advice is not only promoted by the Government Finance Officers Association (GFOA) and Massachusetts Office of the Inspector General,² but FMRB has seen the weaknesses that can accrue in communities that do not heed it. In designing its bid proposal, we also recommend the town require the successful bidder to identify any significant control deficiencies in a management letter and to present this along with the audit report in a closing conference at a select board meeting.

²For additional guidance, see the GFOA's best practice article on [Audit Procurement](#) and the Inspector General's publication, [A Local Official's Guide to Procuring and Administering Audit Services](#).

FINANCE DEPARTMENT - BACKGROUND

Article 23 of Monson's general bylaws established a finance department consisting of four divisions: accounting, assessing, collections, and treasury. Since February 2021, there have been employee transitions related to eight positions within the department. In fact, the collector is only the full-time finance employee still functioning in the same role she had held back then. At the start of the current fiscal year in July 2021, the four divisions of the department had two full-time employees each, and the town also funded a stipend for one part-time cross-functional position. Next, we provide summaries of each division and their staffs.

Accounting: The finance director, who has managerial oversight for the whole department, also serves as Monson's town accountant. The current finance director was promoted to the job in February 2021. Before that, she had worked as a clerk in the accounting office from 2014 to 2018 and then as the assistant accountant. The new assistant accountant was appointed in July 2021 after having clerked for the town successively in the health, building inspection, and assessing offices.

Assessing: Monson has an elected, three-member board of assessors, whose role is limited to fulfilling the statutory functions required of an assessing board, such as signing off on annual valuations and making decisions on property tax abatements. The division's day-to-day activities are handled by assessing office employees under the finance director's supervision.

In August 2021, Monson's last principal assessor resigned, one month after the department had appointed a new assessing clerk. The current principal assessor was hired in December 2021 based on her experience working as an assessing clerk in two other towns over 15 years. In January 2022, the division's clerk was promoted out of the finance department to become the new assistant HR director. The town decided to upgrade the vacated assessing clerk position to assistant assessor. This new position was filled in February 2022 by a person who had previously worked with Monson's principal assessor when she was in another town.

Collections: Heading up this division is an elected collector, who has been in the job for 35 years. An assistant collector also worked in this office on a full-time basis up until November 2021, when that person began splitting her time between the collector and treasurer offices. In addition to property taxes and motor vehicle excises, this division collects for the town's three committed utility bills, as well as some sundry fees and charges, such as parking tickets.

Treasury: Until November 2021, this division was composed of a treasurer/HR director and an assistant treasurer/assistant HR director. In that month, the existing treasurer/HR director left Monson for a job in another town, and the assistant was promoted to take her place on an interim

basis. With the collector having announced her plans to retire in the fall of 2022, the town administrator and select board saw the opportunity to gradually transition to a merged treasurer/collector office. To that end, the assistant collector was assigned duties as an assistant treasurer and started being trained in that role by the interim treasurer/HR director. By January 2022, the assistant collector was appointed to be the new treasurer.

General support staff: Since 2015, the town has been paying an annual stipend to a finance department employee, who works an average of about one day per week, doing specific, limited work in support of the offices of the treasurer and accountant. Called the department's intern, this person had retired from Monson in 2015 after having served as its first finance director. In February 2022, the town created a new, part-time, "floater" clerk position due to the work hours lost in the collector's office when its assistant began the transition to the assistant treasurer role. The new position was filled by an employee who had been working as a part-time clerk for the board of health, and the town plans to fund this clerk as a full-time employee in FY2023.

Finance department technology: To provide an enterprise financial software solution, Monson contracts with VADAR Systems and has implemented modules within its Financial (general ledger, warrants payable, treasurer's receipts), Tax, and Utilities (water and sewer) Suites. All the department heads throughout town have view-access user accounts for the Financial Suite, which allows them to review the revenues and expenditures recorded there for their own budgets. The larger departments (school, police, fire, and water/sewer) also have edit rights to enter their own invoice data for inclusion on the accounts payable warrant. The treasurer's cashbook is an Excel workbook rather than the cashbook module provided within the Financial Suite. Vision Government Solutions Inc. provides the assessing office's valuation database.

HR department transition: Effective January 2022, the town created a new HR department separate from the finance department and reporting directly to the town administrator. Heading up the department, with the title of HR director/IT (information technology) coordinator, is the person who had worked for years as the assistant treasurer/assistant HR director before briefly becoming interim treasurer/HR director. In February, this department added an assistant HR director, a position filled by the person who had been working as the assessing clerk since the previous summer.

Payroll and benefits processing: When the HR director worked in the treasury division, she had been responsible for inputting the town's biweekly payroll submissions into a Harpers Payroll Services application. This duty has been transferred with her to the HR department, along with the responsibility for managing all employee benefit programs. The only duties related to payroll and benefits retained in the treasury office are disbursing the direct deposit compensation to employees and paying the vendors that provide benefits, all as indicated on warrants approved by the finance

director and select board. This distribution of responsibilities between the two departments is an internal control improvement since it represents a strong segregation of duties. Now, the department that assembles and submits requests for the payment of payroll and benefits has no ability to also disburse the funds and vice versa.

Staffing for a combined treasurer/collector office in FY2023: After the collector's anticipated retirement in September 2022, the town's FY2023 staffing plan for a new combined treasurer/collector office consists of a treasurer/collector, an assistant treasurer/collector, and a clerk, all working full-time. By creating an assistant treasurer/collector position, a high level of responsibilities can be spelled out in job duties, including the authority to make bank transactions, so that the assistant can function in the treasurer/collector's stead during times when she is absent. It also provides a degree of succession insurance for such future time that the treasurer/collector leaves town service.

Although the two unmerged offices had four total employees (two in each), we believe three full-time employees in the combined office should be adequate to manage the volume of work for three reasons. First, the payroll and benefits processing duties have been shifted to another department. Second, as compared with some other towns of similar size, Monson has a high percentage of collections being processed by a lockbox mail vendor. Finally, among Monson's peer group, the average number of full-time equivalent employees for these operations is three, with 50 percent of the peer towns still processing payroll and benefits in their treasury offices.

Peer Towns: Staffing Levels in Treasury-Collections

Work Volume Analysis										
Municipality	Finance Dept	HR Dept	FY22 Total Parcels	Utilities Collected	School	Lockbox Mail Vendor	Who Processes Payroll	T/C Combined	Staffing for Treasurer & Collector Operations	T/C FTEs
Douglas	Yes	No	4,311	water, sewer	K-12	Yes	T/C	Yes	T/C, Asst C, Asst T, 7-hour Admin Asst	3.25
Lancaster	Yes	Yes, PT	3,078	water	RSD	Yes	T/C	Yes	T/C, Asst T/C	2
Orange	No	Yes	3,520	none	K-06	No	Acct	No	Treas, Coll, Asst Coll	3
Rutland	No	No	4,444	water, sewer	RSD	Yes	T/C	Yes	T/C, Asst T/C	2
Southwick	No	No	4,450	water, sewer, trash	RSD	No	Acct	Yes	Town Clerk-T/C, 2 Asst T/Cs, PT Clerk, FT Clerk	4.5*
Templeton	No	No	4,022	sewer, water, light	RSD	No	Acct	Yes	T/C, PT Asst T/C, Clerk	2.5
Townsend	No	Yes**	3,960	none	RSD	Yes	T/C	Yes	T/C, Asst T/C, Dept Asst	3
Ware	Yes	No	4,620	water, sewer	K-12	No	Acct	Yes	T/C, Asst T/C	2
Westminster	No	Yes	4,112	water, sewer	RSD	No	T/C	Yes	T/C, Asst T, PT Asst C, PT Clerk	2.75
Winchendon	No	Yes	4,654	water, sewer	K-12	No	Acct	Yes	T/C, Asst T/C, T/C Clerk	3
Monson	Yes	Yes	3,957	water, sewer, trash	K-12	Yes	HR	Pending	FY2023: T/C, Asst T/C, Clerk	3

Notes:

*Southwick's staffing is not factored into the average because it has a combined town clerk-treasurer-collector office.

**Townsend posted for its first HR Director in April 2022.

FINANCE DEPARTMENT - RECOMMENDATIONS

13. Complete the Transition to a Combined Treasurer/Collector Division

Monson's select board has voted for the town to combine the finance department's treasurer and collector divisions into a single unit, effective after the current collector retires this fall. Based on the desire to centralize receipt processing, enhance internal controls, and streamline tax enforcement efforts, this decision is part of a definitive trend within the state, where today, 80 percent of all communities have merged these departments. Having just one office that collects, counts, records, deposits, and reconciles large volumes of assorted receipts allows for more efficient oversight in an area of high-risk potential for errors or fraud. With this set-up, Monson will also have more cross-trained people available to back each other up during peak workload periods and to provide coverage during vacations or other employee absences.

Although the town had previously converted the treasurer position to an appointed status, this has not been done for the collector, who was last elected in 2021 with the term ending in June 2024. To ensure permanence, the town should take the following actions to formally merge the treasurer and collector into a single, appointed office:

- Convert the elected collector to appointed status: In accordance with [M.G.L. c. 41 § 1B](#), (1) present an article for the approval of town meeting voters, and (2) put the question for voter approval in a town-wide referendum.
- Create a combined treasurer/collector office: (1) File for special act legislation, and (2) update Article 23 of the town bylaws to reflect the change.

14. Assign Systems Administrator Responsibilities to the HR Director/IT Coordinator

Now that Monson has a new HR director/IT coordinator position, we recommend the role be given responsibility for administering VADAR user permissions. Very few midsized towns in Massachusetts have their own in-house IT coordinator position. In the absence of this, it is typically left to the town accountant to set up, and revise as appropriate, the user permissions for the given community's financial management system. However, for the strongest control environment, this authority should be separated from the employees who actually use the application(s).

The town administrator, finance director, and HR director/IT coordinator (in consultation with department heads as necessary) should review a VADAR report of all the individual system users and their associated permissions to determine whether or not the edit and/or view-only access rights are

appropriate for the particular employees. Each user should only have edit permissions for functions that directly relate to their job duties and that do not constitute incompatible functions. Based on their analyses, the three should then determine which profiles, if any, should be revised.

Once this process is completed, the finance director's permissions to update VADAR's user profiles should be turned off and HR director/IT coordinator's user profile should be configured, so that only she has the rights to create and change user profiles and that her profile includes no edit permissions to any of the financial modules themselves. As a check-and-balance to validate this going forward, the finance director should periodically review VADAR's user profile report, as well as its activity audit logs.

A user profile request form should be implemented to manage and document the creation and revision of profiles. Department heads would submit this form for the town administrator's and finance director's signatures and then submit it to the HR director/IT coordinator to make the appropriate update(s) in VADAR. Once these new administrator protocols are established for VADAR, the town should replicate the process for other applications in use, such as Vision, OpenGov, ClearGov, etc.

15. Assure Appropriate Segregation of Duties

The efficient use of personnel resources is one reason a town would create a consolidated finance department. With well-cross-trained staff, the finance director can allocate employees across divisions to provide support in managing cyclically spiking work volumes and to provide coverage for absences. In doing this, however, the finance director has to make sure that no department employee becomes engaged in performing incompatible duties. If a sole person is allowed to approve, execute, and/or review certain functions, it increases the risks that erroneous or fraudulent activities will go undetected.

For example, a person authorized to approve payments and audit cash transactions (town accountant) should not also be allowed to disburse funds nor process receipts (treasurer/collector). Someone responsible for assessing and abating taxes (assessors) should not also collect taxes or process abatement refunds (collector). The need to segregate these kinds of functions was codified by the state legislation in [M.G.L. c. 41, § 55](#) (which bars an accountant from also holding any office that handles payments, other than town clerk) and [c. 43C, § 11](#) (which bars a finance director-accountant from also holding the position of treasurer or collector), and [c. 41, § 24](#), (which bars assessors from also serving as collectors).

As a control matrix to assure appropriate duty segregation, we advise the department to adhere to the following guidelines, which will likely require changes to VADAR and Vision user profiles:

- The managers in each of the four (soon-to-be three) finance divisions must only perform work associated with their own division. Neither the finance director nor any treasurer/collector staff should have a user account in Vision. Since the finance director manages the department's budget, there is no business reason for the assessor to have a user account in VADAR. However, the finance director can and should periodically audit the activities of the other divisions, and as town accountant, she is authorized by statute to audit the activities of any town department as well.
- The assistants in the accounting and assessing offices can support each other generally. However, the assistant accountant should not have any edit permissions related to the commitment, exemption, or abatement processes within Vision. She could data enter deed information though, for instance. The assistant assessor should have no direct access to the VADAR general ledger. She could, however, enter information for the preliminary vendor warrants and participate in any non-assessing-related audit work.
- If the assistant assessor's VADAR profile can be appropriately configured, she could help the treasury/collector division in processing receipt turnovers from departments, except for any internal turnovers from collections to treasury, since she must not participate in any activity related to tax or excise receivables. In other words, her VADAR profile could include edit permissions in the Treasurer's Receipts module of the Financial Suite but no rights at all within the Tax Suite.
- Given the treasurer/collector division's primary cash management focus, the assistant accountant may not assist in any of its functions. The assistant treasurer/collector and the treasurer/collector clerk can support the other two divisions only with manual functions only, such as providing customer service, accepting and directing abatement applications, and filing paperwork. Neither they nor the treasurer/collector should have edit permissions to the warrant or general ledger modules within VADAR.

16. Set Deadlines to Reassign All of the Intern's Job Duties

In recent years, the finance department has experienced many employee transitions and leaves of absences. To help ensure continuity of key functions and to mentor inexperienced employees, Monson has been very fortunate to be able to call upon the expertise of its former finance director.

Almost since time of her retirement in 2015, she has worked part-time as a department “intern” about one day per week.

However helpful this arrangement has been, it is also problematic that for many years this individual has been the only employee with the requisite skills and knowledge to complete reconciliations of the treasurer’s cashbook. As one of the department’s most important internal controls, it is critical this duty be transitioned to the treasurer. To date, the department has also been relying on the intern to complete some functions for the finance director/town accountant, such as submitting required year-end reports like the Schedule A. As noted in the last recommendation, no one with responsibility for maintaining or internally reconciling the official record of cash management activity (i.e., the cashbook) should also have direct involvement with any of the town accountant’s books of record or reporting processes.

We recommend that the town administrator and finance director create a schedule listing all the duties exclusively or largely performed by the intern and setting dates within the next year by which time the tasks will be turned over to the appropriate staff within the department. This will entail incorporating training session dates within the schedule. As an outcome of the training sessions to aid in the knowledge transfer, the finance department staff should work with the intern to create written procedures for the given tasks.

17. Process Vendor Warrants Biweekly

We recommend the town process vendor warrants every other week on an alternating schedule with the payroll warrants, which are already done biweekly. As an efficiency measure, this halving of the annual accounts payable processing cycle will minimize associated paperwork, such as invoice coversheets and the printed warrants themselves. It will also reduce total payable disbursements through the consolidation of multiple invoices, which will simplify cashbook reconciliations as well. The change should not pose risks to meeting the standard to pay creditors within 30 days so long as departments continue to submit timely invoices to the accounting office.

APPENDIX A:

SAMPLE BYLAWS - AD HOC COMMITTEES

Town of Lancaster Advisory Committees of the Select Board

A. The Board may appoint standing or ad hoc advisory committees to aid on matters under the Board's jurisdiction. The use of such advisory committees provides greater expertise and more widespread citizen participation in the operation of government.

B. Charges to advisory committees shall be in writing and shall include the work to be undertaken, the time in which it is to be accomplished and the procedures for reporting to the Select Board. Each committee must report in writing at least annually to the Select Board. The Select Board's office shall be sent copies of all committee agendas and minutes. The Board will discharge committees upon the completion of their work. In addition, each committee shall be provided with a Committee Handbook addressing issues such as conduct and law.

C. The charges and membership of standing advisory committees shall be reviewed periodically, at least annually, to assess the necessity and desirability of continuing the committee. Reappointments will be based on an evaluation of the member's contribution, the desirability of widespread citizen involvement, and the changing needs of the committee and the Town.

D. It is the policy of the Select Board to appoint qualified citizens representing all sections of the Town to all such advisory committees. The Board will normally appoint no individual to more than one standing advisory committee at any one time.

E. In order to attract qualified and interested persons, vacancies will be made public as far in advance of an appointment as practicable.

Town of Southwick Board and Committee Rules

§ 12-1 Keeping of records. All votes, resolutions and other acts of the several boards shall be recorded, and all reports and other documents, which the several boards may deem of sufficient importance, shall be entered in full upon the record.

§ 12-2 Chairman and clerk. Each town board shall elect a Chairman and a clerk.

§ 12-3 Compensation. No committee of the town shall receive compensation for services, except as voted by the town.

§ 12-4 Open public meetings required; exception. All meetings of every town board, commission and committee, including the School Committee, shall be open to the public and to the press unless such board, commission, committee or School Committee shall vote to go into executive session.

APPENDIX B: SAMPLE POLICY

ANNUAL BUDGET PROCESS

PURPOSE

To promote transparency, procedural consistency, and fiscal sustainability, this policy establishes guidelines for developing, documenting, and adopting the annual budget. As the Town's central policy document, the budget prioritizes annual and longer-range objectives and is the means for turning strategic plans into fiscal reality. It constitutes a contract between the Town and its residents, explaining how funds are to be raised and allocated for the delivery of services.

APPLICABILITY AND SCOPE

Applies to:	▪ Select Board, Finance Committee, and School Committee in their budget decision-making roles ▪ Town Administrator, Finance Director, and Board of Assessors job duties ▪ All department heads and the boards and committees that have spending authority (all referred to here as "department heads") in their budget planning duties
Scope:	▪ Annual budget development, documentation, and adoption processes

POLICY

Town officials will work together to prepare a balanced budget for the approval of voters at annual town meeting. The creation of the budget will be guided by and reflect all the other financial planning policies adopted by the Town and contained in its policy manual. Town meeting has the sole authority to appropriate funds for the budget, except for specific instances where appropriation is not required by statute (such as grants, gifts, and offset receipts). Furthermore, only a subsequent annual or special town meeting vote can amend any previously approved appropriation.

The Town Administrator is responsible for developing the annual budget, with the assistance of the Finance Director, and will do so according to the vision, goals, and strategic plans laid out by the Select Board. As the advisor for the interests of town meeting voters, the Finance Committee will make recommendations on all finance-related warrant articles, including the annual budget article. The Town Administrator will analyze departmental submissions for the annual capital budget. To ensure early knowledge of the school's expenditure projections and smoothly integrate its budget, the Town Administrator will cultivate a strong, communicative relationship with the School Superintendent. It is the goal of all these parties to work in a cooperative manner to present voters with a consensus budget.

All parties applicable under this policy are expected to comply with the milestone deadlines in the annual budget calendar when they are set each year. As part of this, department heads will timely provide the Town Administrator and Finance Director with all information needed for the creation of an informative budget document, which will be made available to voters in advance of town meeting.

A. Budget Goals

At minimum each year, the Town's budget goals will include the following:

General fund – The goals for the general fund budget include preserving core services, fulfilling required mandates, and maintaining or enhancing the local quality of life, while also ensuring reserve levels that will allow flexibility to respond to changes in the economy and other unanticipated issues that could potentially affect the Town's fiscal health.

Enterprise funds – For the water, sewer, and trash budgets, the Town will attempt to set user charges and fees sufficient to recover all their associated direct and indirect costs so as to avoid or minimize any general fund subsidies.

Capital investment — To pay for items in the capital plan, the Town will strive to achieve and maintain the annual capital funding levels spelled out in the Capital Planning and Debt Management policies. Additionally, the Town will plan to regularly fund, within departmental operating budgets, the maintenance costs for equipment, facilities, infrastructure, and other capital assets to maximize their useful lifespans.

B. Tax Levy Considerations

The Town Administrator will evaluate the estimated tax rate for the forthcoming year based on level of affordability, including the estimated average single-family tax bill as a percentage of the Town's per capita income. The Town Administrator will provide this analysis to the Select Board and Finance Committee when presenting them with the proposed budget.

C. Principles for Balanced, Sustainable Budgets

The Town Administrator, with the Finance Director's assistance, will prepare an annual budget proposal for the approval of the Select Board and Finance Committee and eventual inclusion in the annual town meeting warrant. Along with the proposal, the Town Administrator will also report to these boards on the Town's methods of operation, program service delivery, resource expenditures, and workforce allocations. To assure the creation of a budget that is both balanced and sustainable for future years, the following principles will apply:

1. Recurring revenues (e.g., property taxes, vehicle excises, service fees and charges, interest earnings, state aid) will be sufficient to support recurring expenditures (e.g., employee wages and benefits, materials, supplies, contracted costs, debt service).
2. Because free cash is not a current or recurring revenue source, it should not be relied on to balance the operating budget, which is, in effect, what happens when it is applied to reduce the tax rate on the tax recapitulation sheet.
3. The Town will avoid using any one-time revenue source to fund ongoing services unless necessitated by exceptional circumstances, and any such usage will require the Town Administrator to document a plan to replace this source in future years.
4. The Town Administrator will review fee schedules every year and propose increases when necessary to ensure coverage of service costs.
5. All departmental budgets will be prepared to reflect the full costs of providing the services and list the proposed and prior-year actual allocations of full-time-equivalent employees.

6. The Town will not underfund any fixed, recurring costs in the annual town meeting budget with the expectation that budget supplements will be available during the year but will instead fund them at the realistic amount necessary to complete the year.
7. When a forecast predicts annual revenues to exceed annual expenditures, the following options should be considered for the excess revenue:
 - building up reserve fund target levels
 - reducing debt
 - advancing deferred capital expenditures
 - funding the other postemployment benefits liability
 - accelerating payments on other long-term obligations
 - restoring services reduced from prior years
 - new initiatives
 - tax relief
8. The Board of Assessors will vote to authorize a contribution to the overlay account to offset the Town's liability for unpaid property taxes caused by abatements and exemptions. This amount shall be based on:
 - Current balance in the overlay account
 - Three-year average of granted abatements and exemptions
 - Cases pending before, or on appeal from, the Appellate Tax Board
 - Timing of the next five-year certification review by the Division of Local Services

D. Budget Calendar

The annual budget process begins in November with the Town Administrator's forecast presentation to a joint meeting of the Select Board and Finance Committee, and it ends with annual town meeting in May. The Town Administrator will coordinate a budget process that enables early identification and review of major policy issues and allows adequate time for public input and analysis of options, leading to the timely publication of the annual town meeting warrant.

At the start of the process each year, the Town Administrator will establish specific calendar due dates for each of the sequential tasks listed in the table below, at minimum, and distribute the updated calendar to all applicable parties.

Month	Date	Milestones
October		▪ Budget schedule to departments ▪ Capital project requests due from departments
November		▪ Cost-of-living adjustment (COLA) ▪ Town Administrator and Finance Director meet with School Committee and Superintendent ▪ Select Board and Finance Committee hold first budget meeting and review Town Administrator's forecast ▪ Distribute budget instructions to departments

Month	Date	Milestones
December		- Town Administrator and Finance Director meet with School Committee and Superintendent - All money articles due (hard copy to Town Clerk and electronic to Town Administrator) - Departments transmit budget requests to the Finance Director - Town Administrator identifies capital project recommendations - Town Administrator forwards department budgets and capital project requests to Finance Committee
January		- BOS and Finance Committee hold joint budget review workshop - Departments' annual reports due - Annual town meeting (ATM) warrant closed
February		- Finance Committee budget recommendations due - Distribute personnel spreadsheets with next-year COLAs to departments - Departments return COLA spreadsheets to Town Administrator - Special town meeting (STM) warrant closed
March		- Last day for ballot questions - BOS sign ATM & STM warrants - ATM and STM warrants to the printer - Annual town report to the printer - Last day to post STM warrant (14 days before)
April		- Last day to post ATM warrant (7 days before) - Warrant booklets and annual town report available for voters - Hold annual and special town meetings - Hold annual town elections
May		Town Clerk send any certified bylaw votes to Attorney General and any override or exclusion referendum voting results to DLS

E. Budget Document

The Town Administrator will produce a transparent and reader-friendly budget document that presents short- and long-term strategic objectives and explains fiscal challenges. It will incorporate narrative information on departmental and organizational goals, the plans and resource allocations needed to meet them, graphical information about available finances, analyses of revenues and expenses, and outstanding debt, and summary of the Town's capital plan.

REFERENCES

[M.G.L. c. 39, §§ 10, 16](#) [M.G.L. c. 40 § 6](#) [M.G.L. c. 41, §§ 15A, 59, 60](#) [M.G.L. c. 44, §§ 33A, 33B](#)
[M.G.L. c. 58, §§ 25, 25A](#) [M.G.L. c. 59, § 21C](#) [M.G.L. c. 71, §§ 16B, 16B½](#)

Division of Local Services Best Practice: [Annual Budget Process in Towns](#)

Government Finance Officers Association Best Practices: [Achieving a Structurally Balanced Budget](#), [Working Capital Targets for Enterprise Funds](#), and [Distinguished Budget Presentation Criteria](#)

EFFECTIVE DATE

This policy was adopted on [date].

ACKNOWLEDGMENTS

In preparing this review, DLS spoke with the following individuals:

<u>Name</u>	<u>Position</u>
Dr. Richard Smith	Select Board Chair
Mary Hull	Select Board Vice Chair
Patricia Oney	Select Board Clerk
Jennifer Wolowicz	Town Administrator
Peter Fimognari	Finance Committee Chair
Jamie Farnum	Finance Director/Town Accountant
Katherine Baker	Assistant Accountant
Dorothy Jenkins	Collector
Sherri Roberson	Treasurer/Assistant Collector
Kathy Barnes	Principal Assessor
Audra Staples	Human Resources Director
Heather Wilson	Assistant HR Director
Deborah Mahar	Finance Department Intern